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Approved For Release 2002/06/26 : CIA-RDP78-03985A000700030004-4

Security Information

Attachment 1

**Comments and Specific Points of Nonconcurrency on I. & R. Study of Procurement Procedures and Problems in TSS.**

1. Reference paragraph 2, TSS/Admin has reinforced existing follow-up procedures in order to further cut down isolated cases in which long delay in securing requested equipment and supplies exist. While there will be isolated cases where delays will result due to such factors as the inability of manufacturer to supply equipment without a long lead time, TSS/Admin will in such cases immediately advise requisitioning officer of such delay and where possible attempt to secure a substitute item which will satisfy the needs of the requisitioning officer.

25X1 2. Reference paragraph 4a, TSS believes that the failure of the [ ] to maintain satisfactory accounting records thus resulting in their inability to meet Government and Agency requirements was due essentially to the failure of the contracting officer and/or auditors to adequately brief [ ] as to the type of accounting records necessary to meet Government and Agency auditing requirements. The delay in fiscal audits on completed contracts has created definite morale problems with our contractors and has in some cases resulted in actual financial hardship to the contractor. These difficulties, however, have been restricted to old contracts. Such difficulties have not been encountered in Fiscal Year 1953 contracts. TSS believes that the contractors are now being given adequate orientation by contracting officers and auditors. 25X1

3. Two outstanding contracts have been settled recently by the co-ordinated activity of Office of Logistics and TSS.

25X1 4. This report indicates that Fiscal Division has questioned the relation- [ ] has previously been submitted to the General Counsel and resolved as indicated in the basic memorandum. No

25X1 5. Reference paragraph 4b, the difficulties due to the submission of improper vouchers by the [ ] were due it is believed to improper briefing of the contracting officer. Report points out that Contract [ ] has been extended several times. The extension of this contract was due to certain changes in the specifications requested by the [ ] engineers during the course of its development. These changes resulted in a more efficient piece of equipment with a much longer operating period. 25X1

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25X1 6. Reference paragraph 5a, [ ] is in the process of completing its physical inventory and the establishment of a formal stock record account.

7. Reference paragraph 5c, TSS/Admin has instituted a sound procedure for the review of Memoranda Receipt.

25X1 8. Reference paragraph 5c, this problem will disappear with the transfer of [ ] logistics functions to the centralized [ ] of TSS. 25X1

9. Reference paragraph 5g, TSS agrees that the working relationships between TSS and the Logistics Office are sound and continually improving. TSS believes that with the implementation of the Logistics Directive even minor existing problems will for the most part disappear.

25X1 10. Reference paragraph 6, TSS believes that the granting of a blanket waiver by the Government Printing Office to permit [ ] to purchase paper without further recourse to the GPO, coupled with the approval of the Office of Logistics to permit [ ] to deal directly with a cleared vendor would be beneficial to the Agency. Not only would [ ] efficiency be increased as a result of the decrease of time required to secure paper stock, but also a considerable money saving would result since such procedure would permit [ ] paper stock to be delivered by professional paper handlers rather than untrained GSA employees. 25X1

11. Reference paragraph 7a, TSS believes that the co-ordinated efforts of contracting officers, TSS/Admin and TSS contractors will result in a decrease in the number of contractual difficulties now existing.

25X1 12. Reference paragraph 7b, TSS does not concur with the statement that [ ] the best interests of the Agency and the Government. 25X1

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